6.	Mr. R.K. Gupta	1.75	Mathura
7.	Ms. Tripti Dogra	1.25	Gurgaon
8.	M. S. K. Jain	2.01	Delhi
9.	Ms. Asha Panickar	1.37	Bhopal
10.	M. G.C. Chaturvedi	1.495	Pinahat, Agra
11.	M. Rajendra Kumar	1.60	Delhi
12	Ms. Sunita Mehta	1.50	Delhi

The Bank has further reported that in all the cases where the advance has been availed of, the construction has taken place/being done at the particular sites for which the loan was sanctioned. The Bank has further reported that in 7 of the 11 cases, the inspections have been carried out of the Bank officials. In 4 cases where house/flat has been/is being constructed by the Government agency/ builders, inspections have not been down. While the inspections are being carried out generally by the branch officials at various staged of construction, the Bank has also reported that conditions stipulated at the time of sactioning the advance in respect of 10 of the 12 employees have been generally fulfilled by them. The bank has reported that there is no requirement in the rules for the inspection of the houses constructed by the employees withthe Bank's finance being carried out by State Bank of India etc.

While in one case the advance has not been availed of, in the other, the amount of advance availed of does not appear to have been utilised fully for the purpose for which it was sanctiond. The bank has been advised to ensure compliance with the terms of sanction in this case.

Credit facilities to new borrowers by SBI

3397. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Delhi-local head office of the S.B.I. is not in a position to settle the proposal for sanctioning credit facilities to new prospective borrowers even after six months from the date on which the proposal was cleared and forwarded by the local branch of the Bank to Delhi Head Office;

(b) whether any time frame has been fixed for clearing such proposals, if so, the details thereof;

(c) whether report of MCKINSEY & Co. and American consultant regarding system improvement in SBI has been received by the Bank;

(d) if so, the details therefor and the action taken so far; and

(e) by when action on the Report is expected to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) State Bank of India (SBI) have reported that its Delhi Local Head Office normally sanctions large credit proposals where the data is complete, within a time frame of 8 weeks

(b) For large credits, Reserve Bank of India (RBI) has stipulated the following time limits from the date of receipt of complete data/particulars:—

(i) Proposals for sanction of fresh/enhanced credit facilities — 60 days

(ii) Proposals for renewal of existing credit facilities — 45 days

(iii) Proposals for adhoc credit facilities — 30 days

(c) Yes, Sir.

(d) and (e) The Consultants have recommended restructuring of the SBI Central Office and Local Head Offices. The bank management has to consider to recommendations in depth and take a view after considering all the aspects.

Losses incurred by Punjab and Sind Bank

3398. SHRI VIRENDRA KATARIA : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the statutory auditors of Punjab and Sind Bank certified the operating loss of Rs. 175 crore for the financial year ending 31st March, 1994 which fact has not been indicated in the published accounts of the Bank but has shown a profit of less than ten lakh for the said year; and

(b) the action taken by Government in this regard as this action of the Bank is mis-leading for the general public and against the interest of the depositors and shareholders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Punjab & Sind Bank has reported that the Statutory Central Auditors of the bank had not certified that operating loss of the bank was Rs. 175 crores for the year 1993-94. They had certified net loss of Rs. 175,98,60,000 and the same had been indicated in the published accounts of the bank. The bank has further reported that the balance sheet of the bank shows operating profit of Rs. 3.02 lakhs.

(b) Does not arise.

Employer's connivance in evasion of Income-Tax

3399. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether Governmnent are aware that several employers are undervaluing the salaries of their employees by separating their allowances, perquisites etc.;

(b) whether such an act by the employers is evading the Income tax to the tune of crores of rupees; and

(c) if so, what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir. The Government is aware that some employers are not properly deducting tax at source in respect of some allowances and perquisites paid to their employees.

(b) and (c) It is not possible to quantify the extent of evasion in such cases since the employees may have paid proper taxes after including such allowances and perquisites in their return of income. Cases of big employers are being vigoursly monitored to ensure that proper tax is deducted at source. The Central Board of Direct Taxes has also issued circulars granting certain reliefs by way of exemption to the employers from penalty and prosecution proceedings if they made good the short deduction of tax and paid it by 28th February, 1995.

For the purpose of clarifying the existing provisions regarding taxability of allowances, the Central Board of Direct Taxes has issued circular recently. The Finance Bill 1995 also proposes to specify in the Income Tax Rules the various exempt allowances.

Modernisation of Tax Administration System

3400. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state: